

AMENDED IN ASSEMBLY APRIL 10, 2012

AMENDED IN ASSEMBLY MARCH 5, 2012

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

## ASSEMBLY BILL

**No. 1811**

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**Introduced by Assembly Member Bonilla**

February 21, 2012

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An act to amend Section ~~47633~~ 47660 of the Education Code, relating to charter schools.

### LEGISLATIVE COUNSEL'S DIGEST

AB 1811, as amended, Bonilla. Charter schools: funding.

Existing law states the intent of the Legislature that each charter school be provided with operational funding that is equal to the total funding that would be available to a similar school district serving a similar pupil population, and requires the Superintendent of Public Instruction to annually compute a general-purpose entitlement, funded from a combination of state aid and local funds for each charter school. Existing law requires revenue limit funding that is computed in the general-purpose entitlement and attributable to pupils in grades 9 to 12, inclusive, to be equal to the statewide average revenue limit funding per unit of average daily attendance received by high school districts.

This bill instead would require the ~~revenue limit funding attributable to pupils in grades 9 to 12, inclusive, that is computed in the general-purpose entitlement for a charter school that was under the jurisdiction of a unified school district before it converted to charter status to equal the revenue limit funding per unit of average daily attendance received by the unified school district of which it was a part before it converted to charter status and to be adjusted in proportion to~~

increases and decreases in the amount of revenue limit funding received by the school district general purpose entitlement of a charter school that is established through the conversion of an existing public school within a unified school district on or after January 1, 2013, to be calculated based on the amount of the actual unrestricted revenues expended per unit of average daily attendance for that school in the year prior to its conversion to, and operation as, a charter school, adjusted as specified, and commencing with the 2013–14 fiscal year, based on the prior fiscal year allocation.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     SECTION 1. Section 47660 of the Education Code is amended  
2     to read:

3     47660. (a) For purposes of computing eligibility for, and  
4     entitlements to, general purpose funding and operational funding  
5     for categorical programs, the enrollment and average daily  
6     attendance of a sponsoring local educational agency shall exclude  
7     the enrollment and attendance of pupils in its charter schools  
8     funded pursuant to this chapter.

9     (b) (1) Notwithstanding subdivision (a), and commencing with  
10    the 2005–06 fiscal year, for purposes of computing eligibility for,  
11    and entitlements to, revenue limit funding, the average daily  
12    attendance of a unified school district, other than a unified school  
13    district that has converted all of its schools to charter status  
14    pursuant to Section 47606, shall include all attendance of pupils  
15    who reside in the unified school district and who would otherwise  
16    have been eligible to attend a noncharter school of the school  
17    district, if the school district was a basic aid school district in the  
18    prior fiscal year, or if the pupils reside in the unified school district  
19    and attended a charter school of that school district that converted  
20    to charter status on or after July 1, 2005. Only the attendance of  
21    the pupils described by this paragraph shall be included in the  
22    calculation made pursuant to paragraph (7) of subdivision (h) of  
23    Section 42238.

24    (2) Notwithstanding subdivision (a), for the 2005–06 fiscal year  
25    only, for purposes of computing eligibility for, and entitlements  
26    to, revenue limit funding, the average daily attendance of a unified

1 school district, other than a unified school district that has  
 2 converted all of its schools to charter status pursuant to Section  
 3 47606 and is operating them as charter schools, shall include all  
 4 attendance of pupils who reside in the unified school district and  
 5 who would otherwise have been eligible to attend a noncharter  
 6 school of the unified school district if the pupils attended a charter  
 7 school operating in the unified school district prior to July 1, 2005.  
 8 Only the attendance of pupils described by this paragraph shall be  
 9 included in the calculation made pursuant to Section 42241.3. The  
 10 attendance of the pupils described by this paragraph shall be  
 11 included in the calculation made pursuant to paragraph (7) of  
 12 subdivision (h) of Section 42238.

13 (c) (1) For the attendance of pupils specified in subdivision (b),  
 14 the general-purpose entitlement for a charter school that is  
 15 established through the conversion of an existing public school  
 16 within a unified school district on or after July 1, 2005, but before  
 17 January 1, 2010, shall be determined using the following amount  
 18 of general-purpose funding per unit of average daily attendance,  
 19 in lieu of the amount calculated pursuant to subdivision (a) of  
 20 Section 47633:

21 (A) The amount of the actual unrestricted revenues expended  
 22 per unit of average daily attendance for that school in the year  
 23 prior to its conversion to, and operation as, a charter school,  
 24 adjusted for the base revenue limit per pupil inflation increase  
 25 adjustment set forth in Section 42238.1, if this adjustment is  
 26 provided, and also adjusted for equalization, deficit reduction, and  
 27 other state general-purpose increases, if any, provided for the  
 28 unified school district in the year of conversion to, and operation  
 29 as a charter school.

30 (B) ~~For a subsequent~~ *Commencing with the 2013–14* fiscal year,  
 31 the general-purpose entitlement shall be determined based on the  
 32 amount per unit of average daily attendance allocated in the prior  
 33 fiscal year adjusted for the base revenue limit per pupil inflation  
 34 increase adjustment set forth in Section 42238.1, if this adjustment  
 35 is provided, and also adjusted for equalization, deficit reduction,  
 36 and other state general-purpose increases *or decreases*, if any,  
 37 provided for the unified school district in that fiscal year.

38 (2) This subdivision shall not apply to a charter school that is  
 39 established through the conversion of an existing public school  
 40 within a unified school district on or after January 1, 2010, *but on*

1 *or before December 31, 2012, which instead shall receive*  
2 *general-purpose funding pursuant to Section 47633. This paragraph*  
3 *does not preclude a charter school or unified school district from*  
4 *agreeing to an alternative funding formula.*

5 *(d) The general purpose entitlement of a charter school that is*  
6 *established through the conversion of an existing public school*  
7 *within a unified school district on or after January 1, 2013, shall*  
8 *be calculated pursuant to paragraph (1) of subdivision (c).*

9 ~~(d)~~

10 *(e) Commencing with the 2005–06 fiscal year, the*  
11 *general-purpose funding per unit of average daily attendance*  
12 *specified for a unified school district for purposes of paragraph*  
13 *(7) of subdivision (h) of Section 42238 for a school within the*  
14 *unified school district that converted to charter status on or after*  
15 *July 1, 2005, shall be deemed to be the amount computed pursuant*  
16 *to subdivision (c).*

17 ~~(e)~~

18 *(f) A unified school district that is the sponsoring local*  
19 *educational agency as defined in subdivision (j) of Section 47632*  
20 *of a charter school that is subject to paragraphs (1) and (2) of*  
21 *subdivision (c) shall certify to the Superintendent the amount*  
22 *specified in paragraph (1) of subdivision (c) prior to the approval*  
23 *of the charter petition by the governing board of the school district.*  
24 *This amount may be based on estimates of the unrestricted revenues*  
25 *expended in the fiscal year prior to the school’s conversion to*  
26 *charter status and the school’s operation as a charter school,*  
27 *provided that the amount is recertified when the actual data*  
28 *becomes available.*

29 ~~(f)~~

30 *(g) For the purposes of this section, “basic aid school district”*  
31 *means a school district that does not receive from the state an*  
32 *apportionment of state funds pursuant to subdivision (h) of Section*  
33 *42238.*

34 ~~(g)~~

35 *(h) A school district may use the existing Standardized Account*  
36 *Code Structure and cost allocation methods, if appropriate, for an*  
37 *accounting of the actual unrestricted revenues expended in support*  
38 *of a school pursuant to subdivision (c).*

39 ~~(h)~~

1 (i) For purposes of this section and Section 42241.3, “operating”  
2 means that pupils are attending and receiving instruction at the  
3 charter school.

4 SECTION 1. Section 47633 of the Education Code is amended  
5 to read:

6 ~~47633. The Superintendent shall annually compute a~~  
7 ~~general-purpose entitlement, funded from a combination of state~~  
8 ~~aid and local funds, for each charter school as follows:~~

9 (a) ~~The Superintendent shall annually compute the statewide~~  
10 ~~average amount of general-purpose funding per unit of average~~  
11 ~~daily attendance received by school districts for each of four grade~~  
12 ~~level ranges: kindergarten and grades 1, 2, and 3; grades 4, 5, and~~  
13 ~~6; grades 7 and 8; and, grades 9 to 12, inclusive. For purposes of~~  
14 ~~making these computations, the following conditions shall apply:~~

15 (1) ~~Revenue limit funding attributable to pupils in kindergarten~~  
16 ~~and grades 1 to 5, inclusive, shall equal the statewide average~~  
17 ~~revenue limit funding per unit of average daily attendance received~~  
18 ~~by elementary school districts; revenue limit funding attributable~~  
19 ~~to pupils in grades 6, 7, and 8, shall equal the statewide average~~  
20 ~~revenue limit funding per unit of average daily attendance received~~  
21 ~~by unified school districts; and revenue limit funding attributable~~  
22 ~~to pupils in grades 9 to 12, inclusive, shall equal the statewide~~  
23 ~~average revenue limit funding per unit of average daily attendance~~  
24 ~~received by high school districts.~~

25 (2) ~~Revenue limit funding received by school districts shall~~  
26 ~~exclude the value of any benefit attributable to the presence of~~  
27 ~~necessary small schools or necessary small high schools within~~  
28 ~~the school district.~~

29 (3) ~~Notwithstanding paragraph (1), for a charter school that was~~  
30 ~~under the jurisdiction of a unified school district before it converted~~  
31 ~~to charter status, revenue limit funding attributable to pupils in~~  
32 ~~grades 9 to 12, inclusive, shall equal the revenue limit funding per~~  
33 ~~unit of average daily attendance received by the unified school~~  
34 ~~district of which it was a part before it converted to charter status.~~  
35 ~~If the revenue limit funding the unified school district receives~~  
36 ~~increases or decreases from the amount received in the fiscal year~~  
37 ~~before the school converted to charter status, the amount of revenue~~  
38 ~~limit funding for the charter school shall be adjusted in proportion~~  
39 ~~to the increase or decrease.~~

- 1     ~~(b) The Superintendent shall multiply each of the four amounts~~  
2     ~~computed in subdivision (a) by the charter school's average daily~~  
3     ~~attendance in the corresponding grade level ranges. The resulting~~  
4     ~~figure shall be the amount of the charter school's general-purpose~~  
5     ~~entitlement, which shall be funded through a combination of state~~  
6     ~~aid and local funds. From funds appropriated for this purpose~~  
7     ~~pursuant to Section 14002, the Superintendent shall apportion to~~  
8     ~~each charter school this amount, less local funds allocated to the~~  
9     ~~charter school pursuant to Section 47635.~~
- 10    ~~(c) General-purpose entitlement funding may be used for any~~  
11    ~~public school purpose determined by the governing body of the~~  
12    ~~charter school.~~